

account to its retail distribution customers at the end of each Energy Year (“EY”). This constitutes the second component of the ZECRC: the Return of Excess Collections Credit Rate (“ZEC Reconciliation Charge”).

November 2023 Petition

On November 1, 2023, ACE filed a petition with the Board seeking to maintain its current ZEC Reconciliation Charge rate at zero as of February 1, 2024 (“Petition”).

The Company stated that the net balance for prior EYs and EY 2023 resulted in an over-collection of \$46,022.⁴ Given the small balance, the Company proposed maintaining the ZEC Reconciliation Charge rate at zero beginning February 1, 2024, with any remaining balance due to customers, including interest, carried over into the subsequent ZEC Reconciliation Charge rate filing.

Additionally, the Company requested that this and future ZEC Reconciliation Charge filings be processed in a similar fashion to Basic Generation Service reconciliation filings each year through 30-day notice compliance filings with provisional rates subject to additional examination by the Board. ACE stated that this would allow the Company to efficiently handle the ZEC Reconciliation Charge collections balances and reduce regulatory expenses related to notice requirements.

Because the Petition requested no change to the ZEC Reconciliation Charge rate, public hearings were neither required nor held. Additionally, no written comments were received by the Board.

NEW JERSEY DIVISION OF RATE COUNSEL COMMENTS

On December 8, 2023, the New Jersey Division of Rate Counsel (“Rate Counsel”) filed a letter with the Board stating that it did not object to ACE’s request to maintain its ZEC Reconciliation Charge rate at \$0.000000. On January 8, 2024, Rate Counsel filed an amendment to their letter stating that they did not object to allowing the Company to continue using this rate until the next year’s ZEC Reconciliation Charge filing. Additionally, Rate Counsel noted that it did not disagree with the data in support of the originally calculated ZECRC over-collected balance of \$46,022 (with an associated ZEC Reconciliation Charge rate of \$0.000000) or the updated ZEC Reconciliation Charge over-collected balance of \$24,288 (with an associated ZEC Reconciliation Charge rate of \$0.000000). Rate Counsel also stated that it was unaware of any additional information in the record which would justify a change in the Board’s prior decision on the issue of how future ZEC Reconciliation Charge filings are handled.

DISCUSSION AND FINDINGS

The Board, having reviewed the record in this matter, including the Petition and Rate Counsel’s comments, **HEREBY APPROVES** ACE’s proposed ZECRC rate. Accordingly, the Board **HEREBY AUTHORIZES** ACE to maintain its ZEC Reconciliation Charge of zero for a total ZECRC rate of \$0.004265 per kWh, including SUT, for service rendered on and after February 1, 2024. As a result, a residential customer would see no increase to their monthly bill.

The Board is aware that, pursuant to N.J.S.A. 48:2-32.4 and 48:2-32.6, public hearings must be held to review applications by gas and electric light, heat and power companies other than municipally-owned companies “for significant increases, changes, or alterations in their rate

⁴ EY 2023 runs from June 1, 2022 through May 31, 2023.

schedules” The Board is also aware that any reduction to a credit rate is considered an increase in that rate, and subsequently, the customer’s respective bill. However, the Board **HEREBY FINDS** it is premature, at this time, to determine if ACE’s future ZEC Reconciliation Charge filings will require public hearings. Accordingly, the Board **HEREBY DENIES** ACE’s request that, if future ZEC Reconciliation Charge filings are required, rate changes be addressed through a 30-day compliance filing.

The Board notes that by Order dated January 25, 2023, the Board directed RECO to collaborate with the other EDCs, Board Staff, and Rate Counsel to consider alternative proposals in the next ZECRC filing.⁵ The Board further notes that this did not occur. Accordingly, to the extent that the EDCs believe this problem will continue, the Board **HEREBY DIRECTS** ACE to collaborate with the other EDCs, Board Staff, and Rate Counsel prior to the next ZEC Reconciliation Charge filing to attempt to find a resolution.


The Board **HEREBY DIRECTS** ACE to file revised tariffs prior to February 15, 2024.

The Company’s costs will remain subject to audit by the Board. This Order shall not preclude or prohibit the Board from taking further action relating to any such audit.

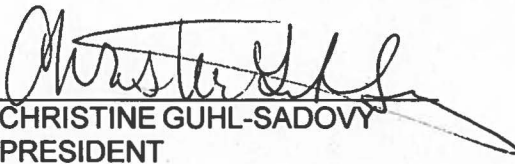
This Order shall be effective on February 7, 2024.

DATED: January 31, 2024

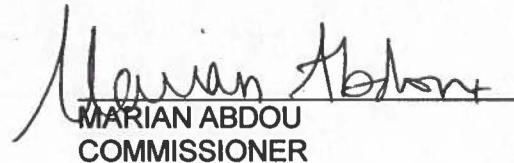
BOARD OF PUBLIC UTILITIES
BY:



DR. ZENON CHRISTODOULOU
COMMISSIONER



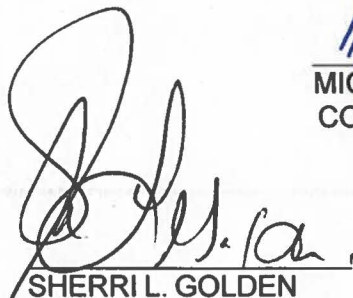
CHRISTINE GUHL-SADOVY
PRESIDENT



MARIAN ABDOU
COMMISSIONER



MICHAEL BANGE
COMMISSIONER

ATTEST: 
SHERRIL L. GOLDEN
SECRETARY

I HEREBY CERTIFY that the within document is a true copy of the original in the files of the Board of Public Utilities.

⁵ In re the Petition of Rockland Electric Company for Approval of a Zero Emission Certificate Recovery Charge, BPU Docket No. EO22100632, Order dated January 25, 2023.

IN THE MATTER OF THE PETITION OF ATLANTIC CITY ELECTRIC COMPANY FOR APPROVAL OF A CHANGE
TO ITS ZERO EMISSION CERTIFICATE RECOVERY CHARGE (2023)

DOCKET NO. EO23110785

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